



AF 211

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

Applicants: Robertson, S.
Serial No.: 09/324,601
Title of Invention: System and Method for Providing Electronic Multi-Merchant Gift Certificate and Contribution Brokering Services Over a Distributed Network
Filing Date: 06/02/1999
Group Art Unit: 3625
Examiner: Fadok, M.
Attorney Docket No.: ROBERT.P001

Seattle, Washington 98109
August 25, 2006

Mail Stop Appeal Brief - Patents
COMMISSIONER FOR PATENTS
PO Box 1450
Alexandria, VA 22313-1450

REVISED SUPPLEMENTAL BRIEF OF APPELLANT

Applicant responds to the Notification of Non-Compliant Appeal Brief dated 7/31/2006 (for Supplemental Brief filed 7/07/2006) as follows:

The Examiner has suspended the present appeal and reopened prosecution of this case in a non-final office action dated 5/09/2006 rejecting claims 23-37 over newly cited Gillen reference as new grounds for rejection. Applicant's arguments addressing these alleged new grounds for rejection are set forth in this supplemental brief. As this is a supplemental brief, no brief fee is believed to be required.

REAL PARTY IN INTEREST (37 CFR 41.37(c)(1)(i))

The patent application in the case appealed is owned by Steven C. Robertson, the inventor, who is therefore believed to be the real party in interest.

RELATED APPEALS AND INTERFERENCES (37 CFR 41.37(c)(1)(ii))

CERTIFICATE OF MAILING (37 CFR 1.8A)

I hereby certify that this paper (along with any paper referred to as being attached or enclosed) is being deposited with the United States Postal Service on the date shown below with sufficient postage as first class mail in an envelope addressed to the Commissioner of Patents and Trademarks, Washington, D. C. 20231.

August 25, 2006

pmduya
Patrick Dwyer

1-8PCRT.INS

There are no other related appeals or interferences known to appellant or appellant's legal representative.

STATUS OF CLAIMS (37 CFR 41.37(c)(1)(iii))

Applicant was notified in an office action dated 12/29/2005 that permission had been granted the Examiner to suspend the case for 6 months while a reference relevant to the examination issued; this was followed by a non-final rejection of Claims 23-37 in an office action dated 5/9/2006. The application was filed on 6/2/99 with twenty two (22) claims of which three (3) were independent claims (Claims 1, 10 and 19).

All of the claims were rejected on 5/14/2002. In Applicant's response dated 10/21/2002, Claims 2, 19-22 were removed without prejudice and Claims 1, 4 and 8 were amended.

All of the claims were again rejected on 1/16/2003. In Applicant's response dated 7/16/2003, Claims 1 and 3-18 were canceled and new Claims 23 - 37 were added, of which Claims 23, 29, 34 and 35 are independent. Included in the response was Applicant's First 131 Declaration dated 6/16/2003. Claims 23 - 37 were finally rejected on 10/15/2003.

A Request for continued Examination was filed on 4/15/2004; a Preliminary Amendment was filed containing Applicant's Second 131 Declaration on 5/19/2004. Claims 23 - 37 were again finally rejected on 8/13/2004.

The status of claims on appeal is as follows:

Canceled claims: 1-22

Pending claims: 23-37

Claims appealed: 23-37

STATUS OF AMENDMENTS 37 CFR 41.37(c)(1)(iv))

There have been no amendments filed responsive to the 5/9/2006 Non-final Rejection; there have been no interviews with the Examiner since the Final Rejection appealed from.

SUMMARY OF CLAIMED SUBJECT MATTER (37 CFR 41.37(c)(1)(v))

The claims on appeal are directed to a system and method for the brokerage of the purchase and redemption of online gift certificates and brokerage of contributions over a distributed network.

Prior to the development of the disclosed system and method, a gift certificate that was purchased over a distributed network could not be used to purchase from multiple merchants, it generally could not be used for multiple purchases or multiple times, and the gift certificate purchaser had neither means to place restrictions on the use of gift certificates, nor means to determine later how the gift certificate had been used. Most purchases over a distributed network required the purchaser to have a credit card. In addition, gift certificate purchasers had to provide both their own and the gift recipient's sensitive personal data to the merchant selling the gift certificate or the beneficiary requesting a contribution.

The disclosed system and method provide a means to broker such transactions by providing an electronic gift certificate service (or contribution brokerage) over a distributed network. Through a gift certificate (or contribution) authority site, a purchaser may purchase a gift certificate or make a contribution, respectively. Gift certificate recipients may choose from a number of merchant sites to redeem their gift certificate, and the gift certificates may be used to make multiple purchases from multiple merchants, up to the value of the certificate, of course. In the case of a user making contributions, multiple beneficiaries may be selected. Gift certificate purchasers may place restrictions on the use of the gift certificate, such as restriction to a category of product or service, dollar limitations on a per order or per item basis, restricting which merchant or merchants may be used, and restricting dates between which the certificate may be redeemed. Later, gift certificate purchasers may access information regarding the purchases for which the gift certificate was used, such as the date, the merchants, the items and the prices. The gift certificate purchaser may remain anonymous from the recipient, and the contributor may remain anonymous from the beneficiary receiving the contribution. Both purchaser and recipient may remain anonymous from the merchants, and their personal information, such as credit card numbers, addresses and the like, is held secure and inaccessible to the merchants. Gift certificates and contributions may also be set up to be one-time occurrence or to recur automatically.

The independent claims on appeal are claims 23, 29, 34 and 35; there are no means-plus-function claims.

23. A system for providing an electronic gift certificate service for users over a distributed network, comprising:

a plurality of merchant sites connected to the distributed network, each merchant site running at least one application to provide an online service to users over the distributed network [Specification p. 10, ln.23-27 and Fig. 1, ref. 60, 62, 64 and 40];

a plurality of user computers connected to the distributed network, each user computer running at least one application to access the online service at a merchant site [Specification p. 10, ln.13-22 and Fig. 1, ref. 50, 52 and 40];

a gift certificate authority site connected to the plurality of merchant sites, the gift certificate site including a user database and a merchant database, each database containing authentication information as to respective users and merchants, and a gift certificate database which stores gift certificate data and transaction data related to particular gift certificates, the users accessing the merchant sites from the user computers over the distributed network [Specification p. 11, ln.19-26 and p. 12, ln. 5-18 and Fig.1, ref. 80, 82, 84, 86, 88, 90 and 92]; and

an authentication protocol for allowing the gift certificate site to authenticate users and merchants [Specification p. 10, ln.13-18 and p. 13, ln. 5-6 and Fig. 2, ref. 110];

whereby a user purchases a gift certificate having a unique gift certificate identification code on the gift certificate authority site for use at a merchant site, and a merchant site processes the gift certificate through the gift certificate database on the gift certificate authority site [Specification p. 3, ln.6-12 and Fig. 3, ref.122, 124, 126, 128, 130, 132, 134, 136 and 138 and Fig. 7, ref. 184, 186, 188, 190 and 204].

29. A method for a user to purchase a gift certificate from an on-line gift certificate service, the method comprising the steps of:

user enters a desired dollar amount to be applied to the gift certificate [Specification p. 13, ln.15-22 and Fig. 3, ref. 126];

user enters a user-selected personal identification number (PIN) for authentication in a gift certificate redemption process [Specification p. 13, ln.15-22 and Fig. 3, ref. 120];

user provides payment information to the gift certificate site for purchasing the gift certificate [Specification p. 13, ln.15-22 and Fig. 3, ref. 126];

gift certificate site validates user payment information [Specification p. 13, ln.15-29 and Fig. 3, ref. 130, 132 and 134]; and

user receives an gift certificate order confirmation, including a unique gift certificate identification code [Specification p. 13, ln.15-29 and Fig. 3, ref. 136 and 138].

34. A method for redeeming a gift certificate from an on-line gift certificate service at a merchant site, the method comprising the steps of:

user elects gift certificate as form of payment for selected goods or services at merchant site [Specification p. 14, ln.26 to p. 15, ln. 16 and Fig. 7, ref. 184];

user enters unique gift certificate identification code and user selected PIN [Specification p. 14, ln.26 to p. 15, ln. 16 and Fig. 7, ref. 186 and 188]; and

merchant site communicates over distributed network with gift certificate authority site to authenticate the user gift certificate and complete user purchase of selected goods or services [Specification p. 14, ln.26 to p. 15, ln. 16 and Fig. 7, ref. 190, 192, 194,198, 200, 202 and 204].

35. A system for providing an electronic contribution service for users over a distributed network, comprising:

a plurality of beneficiary sites connected to the distributed network, each beneficiary site running at least one application to provide an online service to users over the distributed network [Specification p. 4, ln. 17-19, p. 10, ln.23-27 and p. 16, ln. 29 to p. 17, ln. 13 and Fig. 1, ref. 60, 62, 64 and 40 and Fig. 11, ref. 268];

a plurality of user computers connected to the distributed network, each user computer running at least one application to access the online service at a beneficiary site [Specification p. 4, ln. 17-19, p. 10, ln.13-22 and p. 16, ln. 29 to p. 17, ln. 13 and Fig. 1, ref. 50, 52 and 40 and Fig. 11, ref. 274 and 276];

a contribution authority site connected to the plurality of beneficiary sites, the contribution site including a user database and a beneficiary database, each database containing authentication information as to respective users and beneficiaries, and a contribution database which stores

contribution data and transaction data related to particular contributions, the users accessing the beneficiary sites from the user computers over the distributed network [Specification p. 4, ln. 17-19, p. 11, ln.19-26 and p. 12, ln. 5-18 and p. 16, ln. 29 to p. 17, ln. 13 and Fig.1, ref. 80, 82, 84, 86, 88, 90 and 92 and Fig. 11]; and

an authentication protocol for allowing the contribution site to authenticate users and beneficiaries [Specification p. 4, ln. 17-19, p. 10, ln.13-18 and p. 13, ln. 5-6 and Fig. 2, ref. 110];

whereby a user makes a contribution having a unique contribution identification code on the contribution authority site for use at a beneficiary site, and a beneficiary site processes the contribution through the contribution database on the contribution authority site [Specification p. 4, ln. 17-19, p. 3, ln.6-12 and Fig. 3, ref.122, 124, 126, 128, 130, 132, 134, 136 and 138 and Fig. 11, ref. 270].

GROUND OF REJECTION TO BE REVIEWED ON APPEAL

(37 CFR 41.37(c)(1)(vi))

1. Do Applicant's First Rule 131 Declaration and Second Rule 131 Declaration either singly or in combination confirm reasonable diligence between a date just before the publication date of the Webcertificate 2 reference and the date of constructive reduction to practice on 6/2/99?
2. Are Claims 23-37 nonobvious under 35 USC 103, notwithstanding the Webcertificate.com (1 and 2) and Walker and Foladare references, either singly or in combination?
3. Are Claims 23-37 allowable over Gillin (7,010,512) citation under 35 USC 102(e)?

ARGUMENT (37 CFR 41.37(c)(1)(vii))

- I. Applicant's First Rule 131 Declaration and Second Rule 131 Declaration Either Singly or in Combination Confirm Reasonable Diligence Between a Date Just Before the Publication Date of the Webcertificate 2 Reference and the Date of Constructive Reduction to Practice on 6/2/99.
 - A. Applicant Has Presented Both a First Rule 131 Declaration and a Second Rule 131 Declaration Which Either Singly or in Combination Confirm Reasonable Diligence Between 3/9/99 and 6/2/99.

Inventor Applicant Steven C. Robertson testifies in his first and second declarations that at least as early as March 9, 1999 he realized while working in Kent, Washington USA the details of a system for providing an electronic gift certificate service for users over a distributed network. The gift certificate system as then conceived would have a plurality of merchant sites connected to the distributed network, each merchant site running at least one application to provide an online service to users over the distributed network; a plurality of user computers connected to the distributed network, each user computer running at least one application to access the online service at a merchant site; a gift certificate authority site connected to the plurality of merchant sites, the gift certificate site including a user database and a merchant database, each database containing authentication information as to respective users and merchants, the users accessing the merchant sites from the user computers over the distributed network; a database which stores gift certificate data and transaction data related to particular gift certificates; and an authentication protocol for allowing the gift certificate site to authenticate users and merchants.

He also testifies that at least as early as March 9, 1999 he realized while working in Kent, Washington USA the details of a method for a user to purchase a gift certificate from an on-line gift certificate service. The method as then conceived had the steps of: user enters a desired dollar amount to be applied to the gift certificate; user enters a user-selected PIN for authentication in a gift certificate redemption process; user provides payment information to gift certificate site for purchasing the gift certificate; gift certificate site validates user payment information; and user receives an order confirmation, including a unique gift certificate identification code.

This testimony is corroborated by the evidence of his pages 19-24 and 27 from his notebook dated from 3/9/99 to 3/13/99 and attached to his first declaration, which is further corroborated by the witness to the pages, Gale Hurley.

Robertson also further testifies that he immediately got in touch with Gale Hurley in March 1999 and, over the course of time between 3/11 and 5/9/99, created work sessions with her to review and discuss the above referred to notebook pages and his vision for the gift certificate system and method, just as discussed above and in his declarations. He testifies that these reviews with Ms. Hurley were invaluable to him in beginning to flesh out the ideas as he had previously

conceived them, and also in testing his hypotheses and proving them valid to his satisfaction, so as to bring them to the level ultimately disclosed in the patent application. It is submitted that Ms. Hurley's initialing of Robertson's notebook pages is also confirmation of her corroboration of his ongoing work after conception.

He also testifies that in about the middle of March 1999, while he was also still mentally fleshing out his conceptions in discussion with Ms. Hurley, and in other work that is documented in his declarations, he began preparation of his own patent application on this technology, acting as his own agent. He testifies that many of his early draft patent application files and working data model and data flow diagrams and html prototype pages, as well as object models, mindmaps, user interface designs and the like (all created by him in the March to May 1999 time frame) have since been lost in a hard drive failure subsequent to his filing of the application. He did however also continue to iron out bugs in the claimed invention during the critical time period, as well as continuing to make revisions to his patent application right through 6/2/99, when he filed it himself with the USPTO.

He testifies that he spent at least the following times (which he documents with the attached excel spreadsheet printout) on preparation and revision of specification and drawings for the application he filed June 2, 1999: 5/21 - 4 hours on the spec; 5/22 2 hours on the spec, 0.5 hour on diagrams; 5/29 - 1 hour on the spec, 8 hours diagrams; 5/30 - 4 hours on the spec; 5/31 - 2 hours on the spec; 6/1 and 6/2 - 1 hour each on the spec. Although Applicant does not presently document all the time he spent on his patent application between 3/13 and 5/21/99, he does testify under oath that he did spend the time during that time in like manner, and that he did contemporaneously document it, but that he has since lost those earlier records.

Applicant thus testifies, with documentary support and corroboration, to his conception on 3/9/99, his continuing work on both the invention and the patent application between 3/9/99 and filing on 6/2/99. The Examiner has indicated that these facts establish both the conception and constructive reduction to practice dates, and that the only remaining issue in his mind is whether the requisite reasonable diligence is thus established; Applicant submits that it is.

B. Applicant Exercised Reasonable Diligence Between 3/9/99 and 6/2/99.

1. The standard for diligence in Rule 131 priority cases is reasonable diligence and is determined under a Rule of Reason.

The standard for diligence in Rule 131 priority cases is a reasonable diligence standard and is liberally construed to benefit patent applicants. *In re Mulder*, 716 F.2d 1542, 1545 (Fed.Cir. 1983). This patent prosecution standard differs, and is more liberal than, the more stringent standard of the many interference appeal cases cited by the Examiner. "Interference rules do not necessarily apply" in such an *ex parte* case, as "[i]nterferences involve policy questions not present when antedating a reference." *In re Mulder* at 1545. The "long standing requirement" in interferences for stringent measures in reviewing diligence "has arisen because [an] opponent in an interference proceeding is rarely in a position to present evidence contradicting the inventor's statements as to his acts of invention." *Gordon Gould v. Arthur Schwalow et al*, 363 F.2d 908, 919 (CCPA 1966). In an interference contest, someone necessarily has to lose, whereas in antedating a reference in *ex parte* prosecution, the only possible loser is the applicant, and only if the diligence standard is applied unreasonably.

Even under the more stringent requirements of an interference proceeding, the question of diligence is subject to the "rule of reason" as determined in the particular circumstances of each case. *Phillipe Bey et al v. Janos Kollonitsch et al*, 806 F.2d 1024, 1028 n.9 (Fed.Cir. 1986), citing *Gould* at 921 ("the presence or absence of reasonable diligence must necessarily be determined by the evidence adduced in each case").

2. Applicant was reasonable in applying diligence, when only one week out of three months is undocumented.

The Examiner appears to base his entire finding of lack of reasonable diligence on Applicant's apparently undocumented week between 5/22/99 and 5/29/99.¹ A review of the cases cited by the Examiner is instructive as to what might be considered reasonable in this regard, especially since they are all interference cases, and all therefore presumably applied a much stricter standard than is justified in this case.

¹ Applicant has in fact testified under oath that his efforts on patent application preparation and on reduction of his invention to practice did proceed right through that week; at present however, no documentation to support that testimony has been presented. But in a Rule 131 case (which is not an interference case), Applicant's own testimony may not be disregarded as evidence of his continued diligence.

In *Gould*, diligence was not found, but only because the junior party only asserted as to diligence during an 8 month period that he took about 11 days off from work over about 2 months of that 8 month period, and then made no showing at all what he did with that time off. It was found that the “entire period” that was undocumented was over 2 months long. *Gould* at 911, 919.

In *Hull*, diligence was again not found, but only because the junior party failed to make any showing whatever of perfection of his invention, and no showing of what was done during the 8 months the application lay in his attorney’s hands. *Hull v. Davenport*, 90 F.2d 103, 104, 106 (CCPA 1937).

In *In re Harry*, diligence was again not found, but only because the record was devoid of any facts whatever to establish either conception or diligence. *In re Harry*, 333 F.2d 920, 922 (CCPA 1964).

In *Rieser*, diligence was again not found, but only because the junior party failed to make any showing of any facts whatever to establish diligence over a 6 month period. *Rieser v. Williams*, 255 F.2d 419, 424 (CCPA 1958).

In *Litchfield*, diligence was again not found, but only because the junior party asserted only that he was delayed for the entire 17 months by budgetary consideration and test animal scarcity. *John Litchfield et al v. Edward Eigen*, 535 F.2d 72, 76 (CCPA 1976).

In *Griffith*, diligence was again not found, but only because the junior party asserted only that he was delayed for the entire 14 months waiting for outside funding and a particular grad student to work with him. *Owen Griffith v. Tsuneo Kanamaru et al.*, 816 F.2d 624, 626 (Fed.Cir. 1987).

In addition to the cases cited by the Examiner as standards for reasonable diligence, several other cases, cited by *Griffith* at 626, are also instructive. In *Reed*, an undocumented 4 weeks out of an 8 week period was excused because one of the junior party inventors was on vacation out of the country, during which time nothing was done to further the invention or the patent application. *Hugh Wilma Boulton Reed et al v. Erik Tornqvist et al.*, 436 F.2d 501, 504 (CCPA 1971). In *Keizer*, ten and a half months of delay was excused for development of appropriate equipment for field testing the invention. *Keizer v. Bradley*, 270 F.2d 396, 399 (CCPA 1959). In *Bey*, 41 days of diligence was

established because Bey's attorney was working on multiple related applications simultaneously during that period. *Bey* at 1026.

Given the weight of cases where unexcused delays and/or undocumented periods far exceed the one week in this case, and the several cases, and interference cases at that, that excused periods of delay or lack of documentation longer than one week, Applicant asserts that in this non-interference case, where all but one week out of 3 months is testified to and documented, it is quite reasonable to excuse just the one week.

The only case that is sometimes cited for the proposition that even 2 days can be fatal², is the *Mulder* case discussed in part above. In *Mulder*, there was a critical 2 day period, but in fact the Court only determined that reasonable diligence has not been applied because of an entire 3 month period for which there was no showing of diligence whatever! *Mulder* at 1545. The case does not therefore stand as even an example, much less a rule, that undocumented 2 day periods are fatal.

Under the facts of the case therefore, and under a rule of reason, liberally applied, Applicant must be seen as having exercised reasonable diligence for the entire period between 3/9/99 and 6/2/99.

C. There Are No Other Considerations to Negative a Finding of Requisite Reasonable Diligence or Adequacy of the Rule 131 Declarations.

1. The declarations do not lack appropriate NAFTA/WTO allegations.

The declarations do not in fact lack appropriate NAFTA/WTO allegations, as alleged by the Examiner in his 8/13/04 Final Action. The appropriate NAFTA/WTO allegation is contained in each declaration in the form of a statement that the conceptions and events relied upon all occurred in "Kent, Washington, USA".

2. Any traverse to the Examiner's Official Notice Statements were adequate.

Applicant's several traverses to the Examiner's various Official Notice Statements were adequate, given the lack of specificity of the Examiner's statements. While the Examiner did at times invoke a kind of official notice ("it would have been obvious to the person skilled in the art

² Cited incorrectly by the Examiner as the *Kendall v. Searles* case, 81 USPQ 363 (CCPA 1949), rather than the correct *Mulder* citation.

to ...”), these statements were never specific as to what was officially noticed, or as to what might provide a basis for such a skilled person to even want to provide one or more of the missing elements in the Examiner’s cited references. Under the circumstances no detailed rebuttal of such statements was possible.

As there are no other considerations to negative a finding of requisite reasonable diligence or adequacy of the Rule 131 declarations, Applicant urges the Board to enter a finding that the Rule 131 declarations, singly or in combination, provide an adequate showing to remove the Webcertificate 2 reference dated 5/20/99 from further consideration in this case. Accordingly since all of the claims rejections are based on the Webcertificate 2 reference, and none of the rejections can stand if the Webcertificate 2 reference is withdrawn, it is believed that all claims are in condition for allowance, and the Board is urged to reverse the Examiner and order allowance of the case.

II. Claims 23-37 Are Nonobvious under 35 USC 103, Notwithstanding the Webcertificate.com (1 and 2) and Walker and Foladare References, Taken Either Singly or in Combination.

Claims 23 -26, 28 - 29 and 33 - 36 stand finally rejected under 35 USC §103 over WebCertificate.com (a set of two articles listed as Webcertificate 1 and 2). Claims 27 and 37 stand finally rejected under 35 USC §103 over Webcertificate 1 & 2, in view of Walker (5,884,270). Claims 30, 31 and 32 stand finally rejected under 35 USC §103 over Webcertificate 1 & 2 in view of Foladare (5,914,472).

First it should be noted that the Webcertificate 1 reference is not a reference at all; it is merely an interview about an idea, and it discloses nothing more than a bare gift certificate concept without any enabling disclosure whatever. None of the Examiner’s detailed pointing out of where the elements of the various claims on appeal allegedly have their correspondence are directed to any particular place in Webcertificate 1. Even if Webcertificate 1 were accorded the status of a prior art reference, it has no correspondence to any of the elements of the claims on appeal.

In fact, as Applicant has asserted, the only real reference of the pair that is asserted in any particular way is the Webcertificate 2 reference. And even if Applicant’s Rule 131 declarations are deemed ineffective to remove this reference from consideration, it is ineffective, even in combination with the other cited references, to provide a basis under section 103 (that is, without employing

impermissible hindsight reconstruction) for finding any of the claims obvious. With respect to nearly every claim, the Examiner has already admitted that Webcertificate 2 itself does not teach the claimed system; the Examiner relies instead on the alleged knowledge of persons skilled in the art to fill in all the elements that are not met in Webcertificate 2. Sometimes the Examiner even suggests cryptically that the missing element could have been “used” by Webcertificate 2.

In fact, the system of Webcertificate 2 offers, in substance, nothing more than the sale of a “temporary MasterCard”(Webcertificate 2, Pg.3, Para. 1 & 2). This is a fledgling disclosure in 1999, at a time when Applicant’s own conception was already much more richly and powerfully developed. Webcertificate 2 suggests none of the robust range of utility and control that is claimed on this appeal; it’s just another online credit card.

Note that recipients of the Webcertificate “gift certificate” actually have to be 18 years of age, just like for credit card purchases, and they must even already have “a valid credit card account in his or her own name”(Webcertificate 2, Pg. 10, Para. 2). In addition, any merchant that accepts Mastercard is already part of the Webcertificate ‘system’ (Webcertificate 2, Pg.12, Para. 6, ln. 23-31), which pointedly teaches away from needing or developing the kind of robust system and infrastructure disclosed and claimed by Applicant. Webcertificate neither needs nor suggests any database of merchant information be required, or even feasible with over one million merchants (Webcertificate 2, Pg.9, Para. 4, ln. 27) already in it. The merchants are only integrated into the system through methods common to any credit card system. As a temporary credit card for the recipient, WebCertificate does not even offer the transaction tracking usually afforded the typical purchaser using a real credit card. Billing of the “gift certificate” appears on the purchaser’s credit card bill (Webcertificate 2, Pg.10, Para. 3, ln. 26-27) as a single item to Webcertificate with no itemization potential or tracking at all. And the tenor of the entire disclosure is hugely to the effect that this is all one needs! There is thus no basis whatever for any supposed contribution by persons of skill in the art, as no one reading Webcertificate 2 would be motivated to add anything whatever to the system, complete as it represents itself to be.

These general points are made in order to provide a framework for the actual and very limited substance of Webcertificate 2. Applicant now addresses the Examiner's obviousness rejections in the Final Action dated 8/13/04.

In regard to Claim 23, there is no "merchant site running at least one application to provide an online service to users over the distributed network" taught by Webcertificate 2; not even one. As explained above, any merchant that accepts Mastercard is *de facto* part of the system (Webcertificate 2, Pg.12, Para. 6, ln. 23-31). This not only does not teach the "merchant databases" of Claim 23, it teaches away from it pointedly, as no such merchant database would be needed if all transactions are simply handled by Mastercard. As taught by Webcertificate 2, the merchants are not even actually integrated into the system through any screening or assignment of entity identification beyond the conventions of existing credit card systems. Applicant is not asserting that relational databases, authentication protocol and assignment of unique identifiers are new art, though that is what the Examiner implies. Rather, it is the usage of these otherwise common elements, among other claim elements, for the purposes of providing an uncommon gift certificates and contributions brokeraging service, that is claimed. The system as claimed in Claim 23 provides transaction specification and tracking beyond the capability of ordinary programming components.

Applicant does not here acquiesce that any of the other elements of the claims are met in Webcertificate 2, as alleged by the Examiner, but reserves rebuttal, as the absence of correspondence in even one element of a claim is fatal to a *prima facie* case for obviousness. For instance, the Examiner says it would be obvious to employ multiple databases, but does not provide the requisite suggestion from any reference as to why anyone would want to combine such multiple merchant and gift authority database usage with the apparently fully complete set up of Webcertificate 2. The same can be said for the challenge/response authentication. Applicant is not saying it is new in itself, but the system is novel and non-obvious because there is no suggestion anywhere to combine this feature with what is disclosed in Webcertificate 2. Applicant also notes that on page 8 of the Final Action there is a missing part to the paragraph at the top of the page, and Applicant cannot therefore at this time rebut what is apparently missing.

In regard to Claim 24, the only restrictions that may be placed on the WebCertificate purchase are those commensurate to an ordinary credit card purchase: *i.e.* the dollar amount and the date the transaction is processed. This is not the range of restrictions claimed, and merely saying who will get the webcertificate and how much value it has on it is not what is claimed.

In regard to Claim 25 and 26, Webcertificate 2 does not teach tracking the use of the gift certificate, and providing access to the gift certificate purchaser for those sales transactions associated with a particular user gift certificate. Applicant asserts that the answer to Webcertificate 2, question 4 on Page 11, Para. 4 ln. 18 - 27, actually teaches away from this as a possibility. Furthermore, the Examiner's assertion that adding the claimed tracking to Webcertificate would be obvious because it would increase revenue is unsupported speculation on the Examiner's part. And again, Webcertificate presents itself as a whole and complete system, entirely without any need for additional features, such as purchase tracking. In fact this is taught away from by Webcertificate 2 because it is apparent that the idea of the webcertificate is ease for everyone, not tracking and control.

In regard to Claim 28, Webcertificate 2 neither teaches nor suggests the kind of multi-merchant, multi-purchase usage claimed.

In regard to Claims 29 and 33, Webcertificate 2 neither teaches nor suggests the kind of certificate purchase or confirmation as claimed.

In regard to Claim 34, Webcertificate 2 does not teach or suggest the use of a gift certificate authority as claimed; in fact it teaches away by teaching running all the webcertificate transactions through its own C-base banking system, which is not restricted to the gift certificates issued.

In regard to Claims 35 and 36, Webcertificate 2 is utterly devoid of any teaching or suggestion of any kind of contribution management or brokerage, and the Examiner's listing of alleged corresponding elements is a complete reach.

In regard to Claims 27 and 37, Webcertificate 2, even in combination with Walker fails to teach or suggest the use of anonymity provisions as claimed. Webcertificate is complete in its teachings, and there is no room for motivation to add anything to them, certainly not anonymity provisions. Likewise there is nothing in Walker to suggest combining anything from that reference

with an online gift certificate system, nor is there anything inherent in human nature that would motivate anyone to necessarily combine anonymity provisions such as those particularly claimed with an online gift certificate system, even if such a system were well known.

In regard to Claims 30, 31 and 32, Webcertificate 2 does not teach or suggest “a database for monitoring the transactions of the gift recipient” as alleged by the Examiner; in fact such tracking is impossible on the face of it. And there is certainly no basis or motivation other than hindsight reconstruction for combining the particular restrictions of the appealed claims into a system like Webcertificate, even if that were possible, which seems unlikely, and no suggestion in Foladare for combining any such restrictions into an online gift certificate system. Finally, the Examiner’s suggestion that Foladare combined with Webcertificate would provide “an automatic method of monitoring the use of the gift certificate” is both a speculative and unsupported reach, and completely impossible give the apparent nature of Webcertificate.

III. Claims 23-37 Are Allowable and Not Anticipated by Gillin.

Claims 23 - 37 stand rejected under 35 USC §102(e) as being anticipated by Gillin et al., U.S. Patent No. 7,010,512 (hereafter Gillin).

Applicant submits that the Gillin reference does not represent new grounds for rejection at all. Gillen is at best a reference supporting the grounds for rejection that the Examiner already set forth in previous office actions based upon a set of two articles listed as Webcertificate 1 and 2. In fact it is believed that Gillen is nothing more than the patent that incorporates the disclosures of the previously cited WebCertificate documents. All of these grounds of rejection by the Examiner have been extensively addressed in the original Brief of Appellant. It would even appear that the Examiner, in merely quoting Gillin’s abstract, has yet to point out where the elements of the various claims on appeal supposedly have their correspondence to the teachings of Gillin. In any event, the Gillin reference, even after careful review by the undersigned, fails to anticipate any of the claims on appeal.

In fact, as already asserted with respect to the WebCertificate documents in Applicant’s original brief, the Gillin reference actually teaches away from the elements of the claims on appeal. For instance, Claim 23 clearly requires “a gift certificate authority site connected to the plurality of

merchant sites, the gift certificate site including a user database and a merchant database, each database containing authentication information as to respective users and merchants...[Underlines added]” A programmatic infrastructure is disclosed and claimed by Applicant, establishing direct connections to merchants. By contrast, Gillin discloses that, “unlike with the issuer of conventional gift certificates or gift checks, the issuer operating in accordance with the invention does not need to establish any form of relationship with merchants who will accept payment from the recipient [of a gift] according to the invention. [emphasis added]”(Gillin, Col. 5, Ln. 54-58) Gillen’s merchants are only integrated into the system through methods common to any credit card system.

In fact, the system of Gillin offers, in substance, nothing more than the sale of a temporary credit card from a stockpile obtained from one or more existing credit card providers, teaching in the detailed description of Fig. 1, “...Transfer instrument issuer 10 provides the recipient 40 with an account number and amount or limit that can be used at any merchant(s) accepting the same type of accounts where cards are issued...any merchant (on line or mail order/telephone order) that accepts card type accounts where physical cards have issued and been provided to, for example, Visa, Mastercard, American Express, JCB, Eurocard, etc.”(Gillin et al., Col. 7, Ln. 18-21 and 25-33)

Gillin neither needs nor suggests the “merchant database, each database containing authentication information as to respective users and merchants” required by Claim 23. In fact, such a database would not be feasible with millions of merchants world wide currently taking credit cards of the type taught by Gillin as part of the system. Gillin not only does not teach the “merchant databases” of Claim 23, it teaches away from it pointedly, as no such merchant database would be needed if all transactions are simply handled by established suppliers of credit cards: “From the perspective of the merchant, the charge is processed, and funds are received, in the normal manner using the merchant’s acquiring bank, through the normal cardholder association clearance/settlement process.”(Gillin, Col. 22, Ln. 8-12) The merchant authentication required by Claim 23 as part of the Applicant’s gift certificate authority site is not in any way taught by Gillin. As taught by Gillin, the merchants are not even actually integrated into the system through any screening or assignment of entity identification beyond the conventions of existing credit card systems.

In addition, Claim 23 requires, “a plurality of merchant sites connected to the distributed network, each merchant site running at least one application...” The merchant site application is defined in Applicant’s specification: “With reference to FIG. 1, each Merchant site additionally includes a Gift Certificate Agent 64, which authenticates an electronic gift certificate with the Gift Certificate Authority. The Gift Certificate Agent 64 server components are preferably in the form of software modules, which include the necessary logic for sending the items in an encrypted format to the Gift Certificate Authority 80.” Thus, it can be seen that Claim 23 requires the installation of a software module on a merchant site expressly for the purpose of communicating directly with the Gift Certificate Authority Site and server application. No such element is taught by Gillin. In fact, Gillin pointedly teaches away from such an element: “Furthermore, merchants do not need to follow special redemption procedures or need any additional infrastructure access to accept the transfer instrument if they can accept payment for similar types of accounts for which cards have issued and been physically provided to the cardholder.” (Gillin, Col. 5, Ln. 64-66 to Col. 6, Ln.1-2) Gillin suggests none of the claimed robust range of utility and control; it’s just another online credit card scheme.

Clearly Claim 23, and claims 24 - 28 which include all the elements of Claim 23, are not taught by Gillin. The claimed interaction between the gift certificate provider and the participating merchants is distinctive and provides significant utility and control of use by users of Applicant’s system and method. The restrictions on the use of the gift certificate of Claims 24 and 28, the ability to timely track, report and search transactions of Claims 25 and 26, the level of anonymity provided the purchaser within Claim 27, all further defined in the specification, are not possible with a system and method that utilizes the existing credit/bank/charge card infrastructure, which is pointedly not configured to perform such functions. In fact, the current credit card system is configured to perform oppositely.

For example, in regard to Claim 24, the only restrictions that may be placed on the use of the temporary credit cards of Gillin are those commensurate to an ordinary credit card purchase: *i.e.* a maximum dollar limit, “delivery date, starting date, expiration date, duration or ‘life’ of the transfer instrument...”(Gillin, Col.17, Ln. 66 to Col.18, Ln.2) This is not the range of restrictions claimed

and further described in Applicant's specification. The "transfer instrument" of Gillin could never restrict where purchases might be made as Applicant's system and method does, because it can be used wherever a credit card can be used. This is freely admitted in Gillin: "...the purchaser 236 may have the further option of recommending a particular merchant...however, the recipient need not use the transfer instrument with the merchant(s) recommended." (Gillin Col. 18, Ln.44-52)

In regard to Claims 29 and 33, Gillin teaches that, in the transfer instrument purchase process, after the purchaser's payment has been authorized or cleared, "An account number entry for a payment card account obtained from the issuing bank 20 is added and/or assigned in the database 222 and fields are populated in accordance with the information received [Emphasis added]." (Gillin, Col.19, Ln.1-4) Gillin assigns the purchaser one of their stockpile of credit card numbers, thereby again teaching away from creating a gift certificate with unique identifier, under the control of the Gift Certificate Authority Site of Applicant's system and method.

In regard to Claims 30, 31 and 32, Gillin again teaches away from Applicant's claims, because restriction of the use of a credit/debit/charge card cannot be made. Without the claimed control over the gift certificate, the shipping address for purchases made with the gift certificate cannot be predetermined as required by Claim 30 and the restrictions described in Claims 31 and 32 cannot be applied (see Gillin, Col. 18, Ln. 44-52). Clearly, Gillin does not teach the method of Claims 29-32.

In regard to Claim 34, Gillin does not teach nor suggest the use of a gift certificate authority site as claimed. The final step of Claim 34, "merchant site communicates over distributed network with gift certificate authority site to authenticate the user gift certificate and complete user purchase of selected goods or services," is not part of the methods taught by Gillin. As argued above, Gillin does not teach an interaction between the merchants and a gift authority site; in fact it teaches away by teaching the necessary step of running all the transactions through "Acquiring Banks". "On the merchant's side of retail transactions, merchants 210 who wish to accept payments using the cards register with a bank 212 affiliated with the card association 200...When a purchase transaction is made by the cardholder 103, typically the merchant 210 seeks authorization using an infrastructure 214 set up by the card association 200..." (Gillin, Col. 9, Ln.5-17).

As to Claims 35, 36 and 37, Gillin fails to present any teaching or suggestion whatever as to contribution management or brokerage, and the Examiner has made no reference at all to these claims as to alleged corresponding elements in Gillen. In fact, while a Gillen-style card itself could be donated to a charity, its usefulness to the charity would be severely limited to whether the card had a very large value or not; otherwise, the charity would be constrained to use the card limits of dozens or hundreds of cards to effect any significant purchases for its enterprise. In contrast, Applicant's system allows for direct deposit to a beneficiaries bank account, so that all contributions effected through the claimed system are aggregate and fungible for any particular charity (see for example application page 17, line 6).

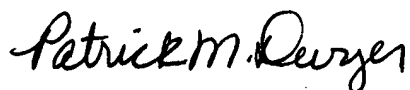
It appears that the Examiner has made no attempt to address arguments presented by Applicant in his original brief regarding the distinction between the appealed claims and a system based upon existing infrastructures for temporary credit cards, even though the previously cited articles, Webcertificate 1 and 2 were based upon just such a system and such arguments were presented by Applicant in the original brief. The very Gillin Abstract which the Examiner presents as the only support for an alleged correlation between Gillin and Applicant's claims actually begins, "A method is disclosed involving acquiring a plurality of charge accounts. The accounts are of a type normally issued with an associated physically producible card which may be presented as evidence of an existing charge account..."(Gillin, Abstract). Gillen 'charge accounts' just have nothing to do with the disclosed and claimed gift certificate system.

Therefore none of the appealed claims are anticipated by Gillin, and Applicant requests that all of these rejections be reversed.

The claims on appeal have been set forth in the Appendix.

(206) 343-7074
P001-suppl-rev.BRF

Respectfully submitted,



PATRICK MICHAEL DWYER
Reg. No. 32,411

CLAIMS APPENDIX 37 CFR 41.37 (c)(1)(viii)

Claims on Appeal:

1-22. Cancelled.

23. A system for providing an electronic gift certificate service for users over a distributed network, comprising:

a plurality of merchant sites connected to the distributed network, each merchant site running at least one application to provide an online service to users over the distributed network;

a plurality of user computers connected to the distributed network, each user computer running at least one application to access the online service at a merchant site;

a gift certificate authority site connected to the plurality of merchant sites, the gift certificate site including a user database and a merchant database, each database containing authentication information as to respective users and merchants, and a gift certificate database which stores gift certificate data and transaction data related to particular gift certificates, the users accessing the merchant sites from the user computers over the distributed network; and

an authentication protocol for allowing the gift certificate site to authenticate users and merchants;

whereby a user purchases a gift certificate having a unique gift certificate identification code on the gift certificate authority site for use at a merchant site, and a merchant site processes the gift certificate through the gift certificate database on the gift certificate authority site.

24. The system of claim 23, further comprising, during user purchase of a gift certificate, the user placing restrictions on the use of the gift certificate.

25. The system of claim 23, further comprising tracking use of the gift certificate by the user.

26. The system of claim 25, further comprising a search mechanism operatively associated with the gift certificate database that provides access to the user to those sales transactions associated with a particular user gift certificate.

27. The system of claim 23, further comprising user anonymity that is effected by preventing merchant site access to any user related data, other than the gift certificate identification code.

28. The system of claim 23, further comprising, within the gift certificate database, and in conjunction with merchant site processing of the gift certificate through the gift certificate database, splitting of the gift certificate across multiple purchases at a plurality of merchant sites.
29. A method for a user to purchase a gift certificate from an on-line gift certificate service, the method comprising the steps of:
- user enters a desired dollar amount to be applied to the gift certificate;
 - user enters a user-selected personal identification number (PIN) for authentication in a gift certificate redemption process;
 - user provides payment information to the gift certificate site for purchasing the gift certificate;
 - gift certificate site validates user payment information; and
 - user receives an gift certificate order confirmation, including a unique gift certificate identification code.
30. The method of claim 29 further comprising, ahead of the step of gift certificate site validation, the user associates a fixed shipping address with the gift certificate.
31. The method of claim 29 further comprising, ahead of the step of gift certificate site validation, the user associates a restriction on certificate use, the restriction selected from the group of restrictions consisting of restriction on certificate use by category of product or service, restriction on certificate use by age range of product or service, restriction on certificate use by dollar limitations on a per order or per item basis, restriction on certificate use by date of use range, and restriction on certificate use to use at selected merchant sites.
32. The method of claim 31 wherein the restriction on certificate use is a restriction on certificate use by category of product or service.
33. The method of claim 29 further comprising, in the step of gift certificate order confirmation, the user selectively elects either immediate online display of the order confirmation, or later e-mail notification, or both.
34. A method for redeeming a gift certificate from an on-line gift certificate service at a merchant site, the method comprising the steps of:

user elects gift certificate as form of payment for selected goods or services at merchant site;
user enters unique gift certificate identification code and user selected PIN; and
merchant site communicates over distributed network with gift certificate authority site to
authenticate the user gift certificate and complete user purchase of selected goods or services.

35. A system for providing an electronic contribution service for users over a distributed network, comprising:

a plurality of beneficiary sites connected to the distributed network, each beneficiary site running at least one application to provide an online service to users over the distributed network;

a plurality of user computers connected to the distributed network, each user computer running at least one application to access the online service at a beneficiary site;

a contribution authority site connected to the plurality of beneficiary sites, the contribution site including a user database and a beneficiary database, each database containing authentication information as to respective users and beneficiaries, and a contribution database which stores contribution data and transaction data related to particular contributions, the users accessing the beneficiary sites from the user computers over the distributed network; and

an authentication protocol for allowing the contribution site to authenticate users and beneficiaries;

whereby a user makes a contribution having a unique contribution identification code on the contribution authority site for use at a beneficiary site, and a beneficiary site processes the contribution through the contribution database on the contribution authority site.

36. The system of claim 35, further comprising, within the contribution database, and in conjunction with beneficiary site processing of the contribution through the contribution database, the contribution is set up to be selectively one-time or recurring automatic.

37. The system of claim 35, further comprising user anonymity that is effected by preventing beneficiary site access to any user related data, other than the contribution identification code.

EVIDENCE APPENDIX (37 CFR 41.37 (c)(1)(ix))

1. None

RELATED PROCEEDINGS APPENDIX (37 CFR 41.37 (c)(1)(x))

1. None